



Rep. Jim Durkin

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09700HB1362ham001

LRB097 05231 RLJ 50592 a

1 AMENDMENT TO HOUSE BILL 1362

2 AMENDMENT NO. _____. Amend House Bill 1362 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Fire Protection District Act is amended by
5 changing Section 11a as follows:

6 (70 ILCS 705/11a) (from Ch. 127 1/2, par. 31a)

7 Sec. 11a. The Board of Trustees of any fire protection
8 district organized hereunder may contract with any corporation
9 organized to furnish fire protection service or with any
10 association organized to furnish fire protection service or
11 with any city, village, incorporated town, or organized fire
12 protection district lying adjacent to such district for fire
13 protection service to be furnished by such corporation or such
14 association or such municipality or fire protection district
15 for the property within such district or to be furnished by
16 such district for the property within such municipality. The

1 board of trustees may also contract for the installation,
2 rental or use of fire hydrants within the fire protection
3 district and for the furnishing of water to be used within such
4 district for fire protection purposes, and for mutual aid from
5 and to other fire protection districts, and for mutual aid from
6 and to corporations and associations organized to furnish fire
7 protection service and for mutual aid from and to
8 municipalities.

9 A municipality's fiscal obligations for fire protection
10 services under a contract with a fire protection district
11 entered into under this Section shall comply with the Local
12 Government Prompt Payment Act. If the municipality fails to
13 make the payment required under the contract to the fire
14 protection district more than 180 days after the payment is
15 due, then the fire protection district may, after giving notice
16 to the municipality, certify to the State Comptroller the
17 amounts of the delinquent payments, including any interest
18 thereon as provided in the Local Government Prompt Payment Act,
19 and the State Comptroller must, beginning with the following
20 fiscal year, deduct and deposit into the fire protection
21 district's general operating fund the certified amounts from
22 grants of State funds to the municipality, if applicable. The
23 State Comptroller may not deduct from any grants of State funds
24 to the municipality more than the amount certified by the fire
25 protection district to the State Comptroller.

26 When the Board of Trustees of a Fire Protection District

1 purchases fire protection services from an organization
2 (specifically including without limitation a city, village,
3 incorporated town, or adjacent fire protection district) that
4 is required to be audited by "An Act in relation to audits of
5 the accounts of certain governmental units and to repeal an Act
6 therein named", approved May 10, 1967, or by The Illinois
7 Municipal Auditing Law, the scope of the audit of the
8 organization providing the fire protection services shall be
9 expanded to require the licensed public accountant performing
10 the audit to specifically report on compliance with the terms
11 of the contract as it relates to financial matters, including
12 but not limited to the amount charged to the purchasing Fire
13 Protection District. To the extent possible, the financial
14 statements of the providing organization shall segregate
15 accounts relating to fire protection service transactions and
16 present them as a separate fund or as a separate department
17 within a fund. A copy of the providing organization audit
18 report shall be furnished to the purchasing Fire Protection
19 District within 6 months after the close of the fiscal year of
20 the organization providing the fire protection services.

21 When the Board of Trustees of a Fire Protection District
22 purchases fire protection services from an organization
23 (specifically including without limitation a not-for-profit
24 corporation or a for-profit corporation or association) that is
25 not required to be audited by "An Act in relation to audits of
26 the accounts of certain governmental units and to repeal an Act

1 therein named", approved May 10, 1967, or by The Illinois
2 Municipal Auditing Law, the organization providing the fire
3 protection services shall employ a person licensed to practice
4 public accounting under the laws of this State to annually
5 audit the providing organization's financial statements of all
6 accounts, funds, and other moneys in the care, custody, or
7 control of the providing organization. Such audit shall be
8 conducted in accordance with Generally Accepted Auditing
9 Standards and the scope of such audit shall be expanded to
10 require the licensed public accountant performing the audit to
11 specifically report on compliance with the terms of the
12 contract as it relates to financial matters, including but not
13 limited to the amount charged to the purchasing Fire Protection
14 District. To the extent possible, the financial statements of
15 the providing organization shall segregate accounts relating
16 to fire protection service transactions and present them as a
17 separate fund or as a separate department within a fund. A copy
18 of the providing organization audit report shall be furnished
19 to the purchasing Fire Protection District within 6 months
20 after the close of the fiscal year of the organization
21 providing the fire protection services. Within 15 days after
22 the first meeting of the board of directors or trustees of the
23 organization providing the fire protection services that
24 occurs after receiving the audit report, the organization
25 providing the fire protection services shall publish excerpts
26 from the audit report that relate to fire protection service

1 operations in accordance with Section 7 of this Act. When fire
2 protection services are rendered in more than one geographic
3 area, publication or distribution should be made in each
4 geographic area served.

5 (Source: P.A. 86-216; 86-1023.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.".